

C. DUKES SCOTT  
EXECUTIVE DIRECTOR

P.O. Box 11263  
Columbia, S.C. 29211



Phone: (803) 737-0800  
Fax: (803) 737-0801

DAN F. ARNETT  
CHIEF OF STAFF

jnelson@regstaff.sc.gov

*Jeffrey M. Nelson*  
Counsel for ORS

**VIA EFILING AND HAND DELIVERY**

January 11, 2008

Mr. Charles L.A. Terreni  
Chief Clerk/Administrator  
South Carolina Public Service Commission  
101 Executive Center Dr., Suite 100  
Columbia, SC 29210

Re: Application of Utilities Services of South Carolina, Incorporated for Adjustment of Rates and Charges and Modifications to Certain Terms and Conditions for the Provision of Water and Sewer Service  
**Docket No. 2007-286-WS**

Dear Mr. Terreni:

Enclosed please find the Affidavit of Mr. Paul Townes in the above referenced matter. This Affidavit was identified as Exhibit Number 12 at the hearing in this case held before the Commission on December 13, 2007.

Sincerely,

  
Jeffrey M. Nelson

cc: John M.S. Hoefer, Esquire  
Benjamin P. Mustian, Esquire

**BEFORE**  
**THE PUBLIC SERVICE COMMISSION OF**  
**SOUTH CAROLINA**  
**DOCKET NO. 2007-286-W/S**

IN RE:

Application of Utilities Services of  
South Carolina, Inc. for adjustment of  
rates and charges and modifications to  
certain terms and conditions for the  
provision of water and sewer service.

---

**AFFIDAVIT OF PAUL TOWNES**

Before me personally appeared Paul Townes who, after being duly sworn, deposes and says as follows:

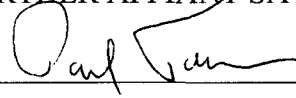
1. I am a citizen and resident of the State of South Carolina and am in excess of eighteen years of age. I am employed as an Audit Manager by the South Carolina Office of Regulatory Staff ("ORS") and have been so employed since January, 2006.

2. In my capacity as Audit Manager, I conducted an examination of the books and records of Utilities Services of South Carolina, Inc. ("USSC") in connection with the above-captioned proceeding. I examined the expenses incurred by USSC which were directly related to this proceeding. These expenses include, but are not limited to, legal expenses, expert witness fees, capitalized staff time, mailing and notification expenses, travel and miscellaneous labor and overhead charges.

3. After examining documentation supplied by USSC in support of these expenses, I verified that USSC incurred a total of one hundred eighty four thousand three hundred dollars (\$184,300) in connection with this proceeding.

4. It is my opinion and belief that these expenses are reasonable and were prudently incurred in bringing this proceeding to a conclusion.

FURTHER AFFIANT SAYETH NOT.



Paul Townes

Sworn and subscribed to before me  
this 10<sup>th</sup> day of January, 2008.



Notary Public for South Carolina

My commission expires: 4/23/2017